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FM AMEMBASSY SAN JOSE
TO RUEHC/SECSTATE WASHDC PRIORITY 0900
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE PRIORITY

UNCLAS SAN JOSE 000464

SIPDIS

DEPT FOR EEB/IFD/ODF; PLEASE PASS TO
OPIC/VP/SF:BTREADWELL; PLEASE PASS TO COMMERCE/FCS

E.O. 12958: N/A

TAGS: [CS](#) [ECON](#) [EFIN](#) [PGOV](#) [PREL](#) [EINV](#)

SUBJECT: COSTA RICA: OPIC LOAN TO IMPROSA SERVICIOS INTERNACIONALES

REF: A. SECSTATE 515776
[1B.](#) 2008 SAN JOSE 653

[¶](#)11. SUMMARY: Embassy San Jose supports the Overseas Private Investment Corporation's (OPIC) proposal for a USD 10 million loan to Improsa Servicios Internacionales (ISI). The Econ and FCS Sections reviewed the proposal and concluded that there were no reasons that the loan should not proceed (reftel A). END SUMMARY.

RECENT COUNTRY EVENTS

[¶](#)12. The hand of the global economic crisis has touched Costa Rica primarily in the form of decreased economic activity and unemployment in select sectors of the economy, notably tourism, construction (particularly activity devoted to resort development, both residential and hospitality), and manufacturing. In contrast to this trend, economic activity and employment in the areas of professional services and medical devices (development and assembly) continues apace. Overall, the global crisis has dragged down the Costa Rican economy as demand in export markets contracted. Predictions on gross domestic product growth for the year currently vary between 0 percent and downward to -1 or, at worst, -2 percent.

STANDING OF ISI

[¶](#)13. Embassy review of the subject companies -- ISI and a related company with controlling interest, Grupo Financiero Improsa (GFI) -- and a key shareholder investor -- the Ortuno family -- did not produce any information linking the company and / or principals to terrorism, money laundering, corruption, or violations of law. Manuel Ortuno Pinto of the Ortuno family holds two positions with GFI: General Manager of GFI and Secretary of GFI's Board of Directors. We believe that Manuel Ortuno Pinto is related to Alfredo Ortuno, the President of the Central American Bank for Economic Integration.

COMMENT

[¶](#)14. Since our last cable to OPIC (reftel B), credit markets did significantly tighten in Costa Rica. Thus, we support any assistance provided by OPIC that eases commercial and consumer credit in Costa Rica. We remind OPIC that USAID does not have an in-country economic development assistance team in Costa Rica. (The lone in-country USAID mission is the

Office of Foreign Disaster Assistance). Hence, there is no
USAID
development staff to review the OPIC proposal.
CIANCHETTE